



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **C-1**

January 30, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AWARD OF PUBLIC WORKS CONSTRUCTION CONTRACTS
SUPERVISORIAL DISTRICTS 1, 3, AND 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Director of Public Works, or his designee, to prepare the construction contracts in the form previously approved by County Counsel, execute the contracts, and establish the effective dates following receipt of approved Faithful Performance and Labor and Material bonds filed by the contractors for the following:

Project ID No. FCC0001015 - Miscellaneous Transfer Drain 622, Line 22, Marie Canyon Water Quality Improvement, City of Malibu (3), to PPC Construction, Inc., in amount of \$699,675.00.

Project ID No. RDC0014382 - Sloan Canyon Road, vicinity of Castaic (5), to Security Paving Company, Inc., in amount of \$654,254.00.

Project ID No. RDC0014700 - Encina Road, 530 Feet South of Entrada Road, vicinity of Fernwood (3), to PK Construction, in amount of \$275,297.00.

Project ID No. RMD4121003 - Minor Concrete Repair, RD 142, SD 1, FY 2006-07, vicinity of East Los Angeles (1), to Olivas Valdez, Inc., in amount of \$917,431.25.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award these construction contracts and authorize the Director of Public Works, or his designee, to execute the contracts and establish the effective contract dates following receipt of approved bonds and insurance filed by contractors for each of these projects.

The enclosure for each project includes the project description, the call for bids and bid opening dates, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposals for each project are also enclosed, including an addenda to the contract specifications for Project ID Nos. FCC0001015, RDC0014382, and RDC0014700.

The recommended construction contracts are necessary to execute Board-directed and approved Public Works projects in support of operational missions. Your Board's approval of the recommended contract awards and our subsequent execution of the contracts will ensure the timely completion of the projects.

Implementation of Strategic Plan Goals

The award of these construction contracts is consistent with the County Strategic Plan Goal of Service Excellence since these contracts will provide improved infrastructure to better serve the public.

FISCAL IMPACT/FINANCING

The enclosure for each project includes the amount of the recommended contract as compared with the engineer's estimate and the other bids received.

These projects are included in the 2006-07 Department of Public Works Budget. The enclosure for each project includes more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Recommended contract awards are to the lowest responsible bidders in accordance with the California Public Contract Code and your Board's directives.

On October 27, 1981, your Board adopted a program for the use of small Minority and Women-owned Businesses (MWBs) on Federal- and State-funded highway construction contracts. Companies meeting these requirements are certified by the State as Disadvantaged Business Enterprises (DBEs). An overall goal for subcontracting portions of the work to DBEs is established for each project. Contracts are recommended for award to the lowest responsible bidder who meets the goal or documents a good faith effort to do so in conformance with the program.

We have also developed an outreach program to encourage all qualified contractors to participate in the bidding and contracting process on our projects. Under this program, we place notices of upcoming bids in local and minority newspapers throughout the County. These notices indicate that copies of plans and specifications are available at specified libraries and the Public Works Headquarters building. This allows interested contractors to view the plans and specifications at convenient locations. We also provide telephone numbers (including one for Spanish-speaking contractors) to obtain further information on bidding and subcontracting opportunities.

To further increase contractor awareness of contracting opportunities with Public Works, each of these projects was listed on the County website for upcoming bids.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

The contracts will be in the form previously approved by County Counsel. We will also review and approve the faithful performance and payment bonds filed by the contractors.

ENVIRONMENTAL DOCUMENTATION

Each of these projects was found to be categorically exempt from the provisions of the California Environmental Quality Act at the time your Board called for bids. The specifics of these findings are included in the enclosure for each project.

CONTRACTING PROCESS

The contracts were solicited on an open competitive basis in accordance with the provisions of the Public Contract Code.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

Public Works has confirmed that all of the respective contractors are in compliance with the County's Child Support Compliance Program and the requirements of the Contractor Employee Jury Service Program. In addition, the contracts will include language requiring compliance with the Newborn Abandonment Law (Safely Surrendered Baby Law).

The project specifications also contain a provision that, should the contractor require additional or replacement personnel to fill employment openings, consideration shall be given to hiring qualified participants in the County's Greater Avenues for Independence or General Relief Opportunities for Work Programs.

To ensure that the contracts are awarded to responsible contractors with satisfactory performance histories, bidders are required to report False Claims Act violations, labor law/payroll violations, debarments, their civil litigation history, and information regarding prior criminal convictions. The information reported by all of the respective contractors was considered before making this recommendation to approve execution of the contracts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These construction contracts will result in improved public works infrastructure in the communities where the work is scheduled. Where appropriate, local residents and businesses will be informed that traffic and local access may be mildly disrupted during the construction. The proposed schedules for construction are included in the enclosure for each project.

The Honorable Board of Supervisors
January 30, 2007
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CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

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cc: Chief Administrative Office
County Counsel
Office of Affirmative Action Compliance

AWARD OF CONTRACT
January 30, 2007

PROJECT ID NO. FCC0001015, MISCELLANEOUS TRANSFER DRAIN 622, LINE 22,
MARIE CANYON WATER QUALITY IMPROVEMENT (City of Malibu),
Supervisory District 3

TYPE OF WORK: Construction of a low-flow diversion weir in an existing reinforced concrete box conduit and a reinforced concrete sump, furnishing and installing a runoff treatment system, and other appurtenant work.

CALL FOR BIDS DATE: December 5, 2006 (Agenda No. 67)

BID OPENING DATE: January 9, 2007

BID SUMMARY:

Low +PPC Construction, Inc., a corporation 336 North Central Avenue, Suite 10A Glendale, California 91203 (818) 662-8040	\$699,675.00
2 Fleming Environmental, Inc.	\$747,562.00
3 Union Engineering Company, Inc.	\$755,097.00
4 Mike Bubalo Construction Co., Inc.	\$782,930.00
5 *PCN3, Inc.	\$787,699.98
6 Blois Construction, Inc.	\$796,324.00
7 +Clarke Contracting Corporation	\$799,560.00

+ LSBE
* MWBE

FINANCIAL INFORMATION:

Amount of estimate	\$788,500.00
Amount of recommended contract	\$699,675.00
Amount of recommended contract below estimate	\$ 88,825.00

The amount of the recommended contract is 11 percent below the estimate.

Sufficient funds for this project are available to the Flood Control District for Fiscal Year 2006-07.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

PPC Construction, Inc., has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

This project is categorically exempt pursuant to Section 15301 (b) and (f) of the California Environmental Quality Act Guidelines and Class 1, Subsections (e), (i), and (l), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 80 working days. It is estimated the work will start in April and be completed in August 2007.

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AWARD OF CONTRACT
January 30, 2007

PROJECT ID NO. RDC0014382, SLOAN CANYON ROAD (in the vicinity of Castaic),
Supervisory District 5

TYPE OF WORK: Roadway reconstruction and widening; construction of sidewalk,
curb ramps, curb and gutter, drainage structures, and reinforced-
concrete pipe storm drain; installation of striping and pavement
markings; and other appurtenant work.

CALL FOR BIDS DATE: December 12, 2006 (Agenda No. 50)

BID OPENING DATE: January 9, 2007

BID SUMMARY:

Low	Security Paving Company, Inc., a corporation 9050 Norris Avenue Sun Valley, California 91352 (818) 767-8418	\$ 654,254.00
2	R.C. Becker & Son, Inc.	\$ 778,120.02
3	Granite Construction Company	\$ 791,136.73
4	Excel Paving Company	\$ 847,479.40
5	*Accord Engineering, Inc.	\$ 853,979.50
6	Lee Construction Co.	\$ 865,253.45
7	Sully-Miller Contracting Company	\$1,009,400.00
8	Union Engineering Company, Inc.	\$1,175,495.35

*MWBE

FINANCIAL INFORMATION:

Amount of estimate	\$938,220.00
Amount of recommended contract	\$654,254.00
Amount of recommended contract below estimate	\$283,966.00

The amount of the recommended contract is 30 percent below the estimate.

This project will be administered under the Federal Surface Transportation Program (STP) covered by Agreement No. 71078 with the State of California. Under this program, Federal-aid funds allocated to local agencies are used to finance a portion of the cost of the road improvement projects. This project is included in the Fiscal Year 2006-07 Road Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Security Paving Company, Inc., has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

This project is categorically exempt pursuant to Class 1, Subsections (x)(2) and (x)(14), and Class 3 (q), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 (c) and 15303 (d) of the California Environmental Quality Act Guidelines.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 75 working days. It is estimated that the work will start in April and be completed in July 2007.

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AWARD OF CONTRACT
January 30, 2007

PROJECT ID NO. RDC0014700, ENCINA ROAD, 530 FEET SOUTH OF ENTRADA ROAD (in the vicinity of Fernwood), Supervisorial District 3

TYPE OF WORK: Construction of a steel soldier-pile retaining wall, concrete barrier rail, cable railing, guardrail, terminal systems, asphalt concrete pavement, and other appurtenant work.

CALL FOR BIDS DATE: December 19, 2006 (Agenda No. 64)

BID OPENING DATE: January 16, 2007

BID SUMMARY:

Low	* Zhan Paul King, an individual dba PK Construction 2126 North Fair Oaks Avenue Altadena, California 91001 (626) 794-0800	\$275,297.00
2	Dalaj International Corp.	\$372,860.00
3	R.C.C.	\$395,500.00
4	+ Clarke Contracting Corporation	\$514,642.00
5	Calex Engineering Company	\$567,734.00

* MWBE
+ LSBE

FINANCIAL INFORMATION:

Amount of estimate	\$344,150.00
Amount of recommended contract	\$275,297.00
Amount of recommended contract below estimate	\$ 68,853.00

The amount of the recommended contract is 20 percent below the estimate.

This repair is necessary as a result of damage caused by the rainstorms of January and February 2005. We are seeking reimbursement for a portion of the project cost under Federal and State disaster assistance programs. This project is included in the Fiscal Year 2006-07 Road Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

PK Construction, has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

This project is statutorily exempt pursuant to Section 21080 (b)(3) of the Public Resources Code, referenced in the California Environmental Quality Act Guidelines, Article 18.

CONSTRUCTION SCHEDULE:

The project is to be completed in 40 calendar days. It is estimated the work will start in April and be completed in May 2007.

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AWARD OF CONTRACT
January 30, 2007

PROJECT ID NO. RMD4121003, MINOR CONCRETE REPAIR, RD 142, SD 1,
FY 2006-07 (in the vicinity of East Los Angeles), Supervisorial District 1

TYPE OF WORK: Reconstruction of sidewalks, driveways, curb ramps, and curb and gutter and the root pruning and removal of parkway trees.

CALL FOR BIDS DATE: November 21, 2006 (Agenda No. 56)

BID OPENING DATE: December 19, 2006

BID SUMMARY:

Low	+* Olivas Valdez, Inc., a corporation 846 North Charter Drive. Covina, California 91724 (626) 915-7633	\$ 917,431.25
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2	Nobest, Inc.	\$ 920,010.00
3	*Kalban, Inc.	\$ 964,553.00
4	Vido Samarzich, Inc.	\$ 995,730.50
5	+ Ruiz Engineering Company	\$1,022,124.52
6	+ Damon Constr. Co.	\$1,123,431.50

+MWBE
*LSBE

FINANCIAL INFORMATION:

Amount of estimate	\$771,673.00
Amount of recommended contract	\$917,431.25
Amount of recommended contract above estimate	\$145,758.25

The amount of the recommended contract is 19 percent above the estimate, which was based on recent average contract prices for similar items of work. A review of the estimate indicates prices of several items were below current market prices. While the bid price is higher than the estimate, the bids are competitive, and readvertising the project will result in increased contract administration costs and delay construction with no guarantee that lower bids will be received. Therefore, we recommend award of the contract to the low bidder.

This project is included in the Fiscal Year 2006-07 Road Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Olivas Valdez, Inc., an MWBE, has two MWBE subcontractors/suppliers under this contract, yielding a proposed MWBE participation of 11 percent.

ENVIRONMENTAL IMPACT:

This project is categorically exempt pursuant to Class 1, Subsection (x)(14), of the revised County Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 75 working days. It is estimated the work will start in March and be completed in July 2007.

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